



EMPLOYABILITY SKILLS - AN EMPLOYER PERSPECTIVE GETTING WHAT EMPLOYERS WANT OUT OF THE TOO HARD BASKET

The Australian Chamber of Commerce and Industry (ACCI) and other industry groups have embarked on a major exercise to ascertain what employers really think are the types of aptitudes and skills required in work, either working in an enterprise or being self-employed. The outcomes give a clear indication that employers have moved on from just requiring technical skills to seeking a series of personal attributes and broad underpinning skills like self management, initiative and enterprise, and the ability to learn in an on-going fashion.

The proposed framework endorsed by a broad array of organisations and enterprises should be utilised by the range of education and training systems and providers, and more broadly in the community, as the key outcomes for students, workers up-skilling and people wishing to participate in the labour market and in the community. It places Australia in a position to lead the world in this new and exciting area.

Where We are Now

Australia is the 16th largest economy in the world. It has achieved this position through a decade of change and economic growth and a strong focus on productivity improvement. Australian enterprises, in recognition of the economic challenges and globalisation, have implemented a range of strategies to support growth and increase their international competitiveness. Allen Consulting (2000) advised that such strategies included:

- multiskilling
- greater automation
- workforce restructuring.

Three recent government reports – *Backing Australia's Ability* (2001), *Knowledge and Innovation* (1999) and *Investing for Growth* (1997) – highlight the positioning of Australia as an international player in the knowledge economy and the need to continue building Australia's capacity to effectively operate in the 'global knowledge-based economy'. They outline a series of government initiatives targeting research and development, commercialisation, venture capital and technology diffusion.

These reports discuss how Australia will effectively respond to globalisation and the knowledge economy. They note the importance of knowledge work and knowledge workers to Australia's economic success. Significantly, the authors discussed the need to ensure the Australian community understands the broad issues underpinning globalisation and the knowledge economy, but more particularly they considered the need to create a community equipped to understand and participate in ongoing change. Education and training providers will have a key role in equipping the community for this challenge.

Enterprises continue to focus on adaptation, cost reduction, increased productivity and new markets and/or new products and services. Enterprise choices with regard to recruitment and training are largely being driven by these business strategy directions. In this environment, there is an increasing requirement for employees to be able to support increased competitiveness, innovation, flexibility and client focus.

Enterprises are increasingly seeking a more highly skilled workforce where the generic and transferable skills are broadly distributed across the organisation.

There has been broad agreement that all young people need a set of personal attributes and skills that will prepare them for both employment and further learning. It is also recognised that the ongoing employability of individuals is dependent on their having a set of relevant skills, as well as a capacity to learn new things.

However, what has been less clear is what these attributes and skills should be in the context of challenges facing Australian industry.

ACCI and the Business Council of Australia (BCA) judged that it was timely to obtain the views of industry to assist in the development of a comprehensive framework of employability skills. They sought assistance from the Department of Education, Science and Training (DEST) and the Australian National Training Authority (ANTA). It was recognised that such a framework of employability skills would need to be relevant to small, medium and large enterprises and able to support the future needs of Australian industry.

What We Attempted to Do

Industry undertook a range of methodologies to provide advice on:

- possible new requirements for generic employability competencies that industry requires, or will require in the foreseeable future since the Mayer Key Competencies were developed
- clear definitions of what Australian industry and leading business enterprises mean by 'employability' skills and the consistency or otherwise between the various terms similarly used
- a proposed suite of employability skills, including an outline of assessment, certification and reporting of performance options that suit both industry and education
- industry (small, medium and large business) reactions to the proposed suite and reporting options
- a report on the case studies involving 13 large enterprises
- a report on focus group research with small- and medium-sized enterprises.

A project was established in recognition of the changing nature of work and skills required by enterprises to ensure long-term economic growth. The project has sought the views of employers with regard to the set of employability skills relevant to Australian industry for the future.

The focus of the research was to identify the set of employability skills that employers sought in their employees. The project did not examine the skills required for self-employment although it can be imagined that there would be strong similarities.

Many terms are used in different environments to describe general skills that all employees may have. Similarly, education and training providers use a range of terms to represent concepts relating to those involved in learning and learning outcomes.

The Australian Council of Educational Research (ACER) review (2001) identified a range of descriptors for the characteristics learners are expected to acquire. These are included in the table below.

Descriptor	Definition
Skills	<i>Skills</i> are commonly understood to refer to an ability to perform a specific task.
Competencies	<i>Competency</i> is used to refer to an observable behaviour performed to a specified level and therefore provides a basis for the assessment of performance.
Attributes, qualities and characteristics	These refer to those capabilities of an individual in most instances although “ <i>characteristics</i> ” is sometimes used to describe a workplace/job-specific requirement.

It was decided to use the term *skill* as it was generally used in enterprises where it has a broader definition than other terms in the literature. However, as there was a need to differentiate between technical skills, job specific skills and the more general skills and personal attributes related to employment, the following working definition for the project was developed:

Employability skills are defined as skills required not only to gain employment, but also to progress within an enterprise so as to achieve one’s potential and contribute successfully to enterprise strategic directions.

It should be noted that this definition is broad and encapsulates self-employment as well as the need for on-going skills development as an individual.

What We Found

The project has identified those key generic employability skills that enterprises argue individuals should have along with the job-specific or relevant technical skills. The project also identified the ongoing relevance of the Mayer Key Competencies but confirmed that employers now require a set of personal attributes in all employees and a set of additional skills. These additions are seen as essential by the enterprises participating in the research. Finally, the project has identified an Employability Skills Framework that can contribute to the thinking and curriculum development of the Australian education and training system.

In summary, there are a number of critical aspects underpinning this framework.

- The framework identified by employers through the research with enterprises builds on the Mayer Key Competencies.
- Employer recognition and integration of the Mayer Key Competencies in their discussion of the nature of jobs and skills are strong.
- Employers have identified the importance of what have been termed ‘personal attributes that contribute to employability’ and indicate that these are required as part of the set of employability skills.
- Small, medium and large enterprises have identified the same critical mix of skills as being relevant to the employability and ongoing employment of individuals.
- The skills identified as critical to employability are broadly consistent across industry sectors, all are important, though the elements would depend on the industry and workplace context.

- The priority of these employability skills (and their respective elements) varies from enterprise to enterprise subject to the context of the job level and requirements.
- The employability skills identified are as relevant as job-specific or technical skills.
- The employability skills identified are relevant to both entry-level and established employees. What is also recognised by employers is that the elements and level of complexity of the skill will vary with both the job type and classification.
- There is a strong recognition of the role of lifelong learning in skill development and response to change.
- Employer views with regard to leadership have emerged in this research differently from in other research. Some employers have suggested that the skills identified in the framework underpin an employee's capacity to lead.
- It is recognised that customer service of itself is not an isolated skill but rather the outcome of the integration of a range of different skills of an individual, e.g. communication and problem solving.
- Throughout the project, interviewees also argued that the employability skills identified had a much broader application. The skills were as important to effective participation in the community as they were to effective participation in the workforce.

A critical feature of this research has been the comment by many employers that the elements related to the skills will change both in their nature and priority in line with the business activity of enterprises and that flexibility needs to be maintained in dealing with generic skills. New work and production processes, new threats and opportunities, and new technology will continue to have an impact on the elements in the Employability Skills Framework.

The Employability Skills Framework consolidates the outcomes of the research with enterprises and takes into consideration the Australian context and overseas trends. There are significant areas of commonality with the outcomes of this research and other international research.

The configuration and content of the Employability Skills Framework, however, more closely reflects the language and trends in thinking in Australia. The Mayer Key Competencies have provided both Australian industry and the Australian education and training system with a useful starting point and tool for understanding and applying the concepts of generic employability skills.

Enterprises participating in the research placed a strong emphasis on the need for both entry-level and ongoing employees to exhibit a broad range of personal attributes. Employers suggested that entry-level and ongoing employees needed to reflect attributes that were acceptable to the rest of their working peer group and the customer and in line with the company's approach. The employers participating in the research stressed the need to ensure future employees developed these personal attributes, as they are an integral feature of an employable person and a key component of the Employability Skills Framework.

The identification of personal attributes as critical to employability will require further consideration by education and training providers regarding how they can assess these attributes and provide advice to the individual.

A number of enterprises and organisations in the research also suggested that there would be benefit in reviewing and redeveloping aspects of the current documentation and practice used by education institutions to record student attainment so that the documents better reflected the personal attributes and skills attained by the student.

The Employability Skills Framework incorporates the following personal attributes that contribute to overall employability:

- loyalty
- commitment
- honesty and integrity
- enthusiasm
- reliability
- personal presentation
- commonsense
- positive self-esteem
- sense of humour
- balanced attitude to work and home life
- ability to deal with pressure
- motivation
- adaptability.

There is no doubt that enterprises saw the inclusion of these attributes as a new and essential component of employability skills.

The key skills identified in conjunction with the personal attributes to make up the Employability Skills Framework are:

- **communication** skills that contribute to productive and harmonious relations between employees and customers
- **team work** skills that contribute to productive working relationships and outcomes
- **problem-solving** skills that contribute to productive outcomes
- **initiative and enterprise** skills that contribute to innovative outcomes
- **planning and organising** skills that contribute to long-term and short-term strategic planning
- **self-management** skills that contribute to employee satisfaction and growth
- **learning** skills that contribute to ongoing improvement and expansion in employee and company operations and outcomes
- **technology** skills that contribute to effective execution of tasks.

A more detailed account of the personal attributes, skills and elements that make up the Employability Skills Framework are available at www.acci.asn.au

What Does the Work Mean for the Education System

Personal attributes are likely to be the area that will cause the biggest rethink for the education sector. How to get personal attributes out of the too hard basket and incorporate them in a systematic way, into teaching, assessing and reporting, will provide a challenge to educationalists that will question the core of what they are doing. Already there have been suggestions of social engineering and economic rationalism gone mad. But the core of the debate is how to move the agenda forward to continue to strive for the goals of economic benefits and improvements in the quality of living for all Australians.

There has been a considerable volume of work undertaken by individuals, schools systems and universities in this area. The purpose of the report *Employability Skills for the Future* was to identify an employer perspective. The intention has been to add to the richness of understanding of this topic and to inform educationalists about what employers are seeking. There is no prescription for a way forward but the employability skills provides an excellent example of where the interface between the business and the education sectors produces a tension to create reform and make the education sector more responsive to the needs of industry.

In the short-term, the education sector has responded vigorously. At the highest levels, the report has been forwarded to the Ministerial Council on Employment, Education, Training and Youth Affairs (MCEETYA) Taskforce on Transition from School (TST). It will also be forwarded to the ANTA National Training Quality Council (NTQC) and the Australian Vice-Chancellors' Committee (AV-CC). At this stage, the TST Taskforce is considering how further work might be developed, on assessing, reporting and universal recognition that can be progressed in an integrated manner across the formal education and training sectors as well as the broader community.

Further work will be undertaken by the Taskforce on how the employability skills might be developed and acquired and will take account of associated policy work in the schools, VET and youth sectors. It will be organised around the following structure:

- verification
- pedagogy
- assessment and Reporting
- universal recognition arrangements
- supporting an effective transition system.

The training and community sectors might also choose to develop strategies within this same five-step structure, which would strengthen a coordinated collaborative approach to this work.

ANTA has also been requested to coordinate a collaborative cross-sectoral approach to assessing the feasibility of implementing the employability skills framework in an integrated manner across the formal education and training sectors as well as in the broader community.

By working collaboratively with the business sector there might just be a way forward that will get employability skills out of the too hard basket.

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